

THE DEPUTY SECRETARY OF DEFENSE WASHINGTON 25, D. C.

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AUG 12 1964

Honorable Olin D. Johnston Chairman, Committee on Post Office and Civil Service United States Senate Washington, D. C.

Dear Mr. Chairman:

One of the major accomplishments of the salary reform legislation recently passed by the Congress is the establishment of a Federal Executive Salary Schedule. The Schedule recommended by your Committee and passed by the Congress should enable the Government to attract and retain as key executives outstanding citizens who are dedicated to the public service.

Through a minor drafting inadvertence, however, it is not possible for section 306(h) of the Federal Executive Salary Act to be construed so as to authorize the President to place officers and employees of the National Security Agency in the Federal Executive Salary Schedule pursuant to section 303(g). This technical deficiency could be remedied by amending section 306(h) by adding after the words "except as provided in subsection (f)" the words "and (g)." This change in language would allow the President, in his judgment, to designate certain of the positions at the National Security Agency in levels IV and V of the Federal Executive Salary Schedule.

We seemed therefore supposed by request your favorable consideration of the proposal to incorporate such a technical amendment in appropriate legislation.

The Bureau of the Budget advises that they have no objection to the submission of this letter from the standpoint of the Administration's program.

Sincerely yours.

Signed CYRUS R. VANCE